

Charles E. Simpson, Esq.  
Jeffrey C. Hoffman, Esq.  
**WINDELS MARX LANE &  
MITTENDORF, LLP**  
156 West 56th Street  
New York, New York 10019  
Tel: (212) 237-1000  
Fax: (212) 262-1215  
E-mail: [csimpson@windelsmarx.com](mailto:csimpson@windelsmarx.com)  
[jhoffman@windelsmarx.com](mailto:jhoffman@windelsmarx.com)

*Counsel to Parmjit Singh Parmar (a/k/a Paul Parmar) and the Parmar Entities*

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK**

In re:

Orion HealthCorp., Inc., et al.,

Debtors

Orion HealthCorp., Inc., et al.,

Plaintiffs.

v.

Parmjit Singh Parmar (a/k/a Paul Parmar, et al.),

Defendants,

Chapter 11 Case

Nos. 18-71748 (AST) through  
18-71789 (AST)

(Jointly Administered)

Adv. Pro. No. 18-08053 (AST)

**OBJECTION TO THE MOTION FOR AN ORDER APPROVING THE PROPOSED  
SETTLEMENT AGREEMENT BY AND AMONG THE LIQUIDATING TRUSTEE,  
THE CC CAPITAL PARTIES AND THE SECURED LENDERS**

Defendants Parmjit Singh Parmar (a/k/a Paul Parmar) and the Parmar Entities, by their attorneys, Windels Marx Lane & Mittendorf, LLP, submit this Objection to the Motion filed by Howard Ehrenberg in his capacity as the Liquidating Trustee of the Orion Liquidating Trust (the “Liquidating Trustee”) as successor to Plaintiff Orion HealthCorp., Inc., et al. (the “Debtors”) to

authorize the Liquidating Trustee to enter into the proposed Settlement Agreement, dated August 21, 2019 (the “CC Capital Settlement Agreement”).

The basis for this Objection by Parmar and the Parmar Entities is as follows:

1. By Stipulation, So-ordered by this Court, the above captioned Adversary Proceeding was stayed pending the determination by the U.S. District Court for the District of New Jersey of the criminal case commenced by the U.S. Attorney’s Office for the District of New Jersey on behalf of the United States of America versus Parmjit Singh Parmar; and,

2. The CC Capital Settlement Agreement seeks to distribute assets (i) seized by the United States government from the escrow of Robinson Brog; (ii) real properties owned by certain Parmar Entities and/or related entities under the management control of Parmar; and (iii) payments made to Parmar and the Parmar Entities for their shares in the Debtors as part of the Merger, which Parmar was directed by the Delaware Chancery Court to deposit into an escrow account held by Young Conway pending the resolution of the matters being litigated in that Court. The apparent basis for the motion is that the aforesaid funds are the fruits by fraud and other illegal activities allegedly committed by Parmar and the entities under Parmar’s control but which this Bankruptcy Court, Delaware Chancery Court nor the U.S. District Court for the District has not made any such finding, ruling or decision.

3. As at the last hearing concerning the Mediation from which the Proposed Settlement emanated, Parmar and the Parmar Entities continue to claim these assets as theirs and do not and have not waived their rights thereto.

4. Therefore, until a court of competent jurisdiction renders a decision or finding that Parmar and/or one or more of the Parmar Entities is guilty of any crime related to the funds

stated above, this Court lacks jurisdiction to transfer or permit the Liquidating Trustee to take control and distribute those funds in accordance with the CC Capital Settlement Agreement.

CONCLUSION

WHEREFORE, Parmar and the Parmar Entities respectfully request that this Court (i) deny the Liquidating Trustee's Motion for authority to enter into and approving the CC Capital Settlement Agreement or, (ii) in the alternative, stay the distribution of any and all of the funds claimed by Parmar or the Parmar Entities until a ruling is obtained resolving the claims asserted against Parmar and the Parmar Entities with respect to the funds, and (iii) grant such other and further relief as is just and proper.

Dated: New York, New York  
September 27, 2019

Respectfully submitted,

**WINDELS MARX LANE & MITTENDORF, LLP**  
*Counsel to for Parmjit Singh Parmar*  
*(a/k/a Paul Parmar) and the Parmar Entities*

By: /s/ Charles E. Simpson  
**Charles E. Simpson**  
**A Member of the Firm**

156 West 56<sup>th</sup> Street  
New York, NY 10019  
Tel: (212) 237-1000